

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, May 22, 2025

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, May, 22, 2025 commencing at 8:00 AM at the Whetstone Valley Electric Headquarters.

The meeting was called to order by President, Joel Adler who presided and Secretary, Matt Cameron, acted as Secretary.

Directors Present: Joel Adler, Matt Cameron, Scott Niedert, Krista Atyeo-Gortmaker, Bill Tostenson, Tom Berens, Paul Nelson, Dave Behrns, Wayne Jarman,

Directors Absent:

Staff Present: Page, Weber, Anderson

Others Present: None

Review and Consideration of Agenda

- A motion and second was made to approve the agenda with a revision to the order of action items: Item 4 was moved to position 3, and Item 3 was moved to position 4. The motion passed.

Review and Consideration of Minutes

- A motion was made and seconded to approve the minutes of the reorganizational meeting of March 27 and April 24 with correction of the date, location, and director absent. Motion passed.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of April 24, 2025 was seconded and carried.

Review and Consideration of estate and special capital credit retirements:

- A motion to approve the estate and special capital credit retirements was seconded and carried.

General Reports

The Board reviewed and discussed general reports including the Loss Control Report, Check Listing, Credit Card statement, Cash Flow, Cybersecurity Summary and Capitalized Construction Work Orders.

Management Reports

Operations Manager, Jon Christensen was not present at this months meeting and submitted a written report that included information on recent substantial outages, possible new loads, and the load controller replacement project. He also included a progress report on the pole yard refurbishment project and training information. Manager Page spoke on the highlights of the report.

Member Services Manager, Mark Weber submitted a written report outlining recent activities. A power quality issue involving low voltage was found to be caused by a bad neutral in the member's shed panel. Mark is assisting a member to evaluate the value of voluntary load control by comparing standard rates to his current costs. Mark visited with several members regarding wiring and HVAC project costs and provided guidance. He also worked on interconnection planning for the new solar project at the SWO Detention Center. Mark discussed challenges obtaining a new type of freon for newer heat pump systems. He also discussed the replacement of surge protection equipment for several members.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. She reported that we drew down funds from our RUS loan in the amount of \$1M at an interest rate of 4%. She discussed the upcoming audit with Eide Bailly that was scheduled for June 9-13th, 2025. She also provided details regarding the Capital Credit Retirement.

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General Manager Report

General Manager Page reported that April energy sales were below both last year and budget, while year-to-date sales remain slightly above last year but under budget. Revenues and expenses are generally tracking close to budgeted levels. He reported that total Utility Plant now stands at \$44.3 million, reflecting steady growth over the past decade of 5.7% per year. Page discussed East River Electric retired capital credits this month that included \$109,542 allocated to Whetstone Valley, which will be returned to members per policy. A brief update was provided on the recent Legislative Conference in Washington, D.C., where discussions were held with all of the SD delegates and focused on energy demand, permitting reform, and continued federal support for cooperative programs. He also discussed Whetstone employee participation in the NRECA Safety Leadership Summit.

East River Behrns reported on East River and Basin financials. He also reported on Basin and NRECA representative's appearance at the White House for an energy policy discussion.

SDREA Tostenson reported on SDREA activities and encouraged directors to attend the SDREA Board Leadership Summit.

Association None
Reports:

Other Business and Action Items:

- The Board requested that the Policy Review Committee revisit Policy 20-4 and return with more clearly defined responsibilities.
- The following policies were reviewed. Each was approved unanimously with no revisions:
40-6, 40-11, 40-13
- There was a motion and second to remove policies 20-23 and 20-24 due to redundancy as these safety items are included in the cooperative safety manual. The motion passed unanimously.
- There was a motion and second to remove policies 40-4 and 40-17 as these are no longer relevant. The motion passed unanimously.
- There was a motion and second to approve policy 20-11 with revisions as proposed. Motion passed.
- There was a motion and second to approve policy 20-11 with revisions as proposed. Motion passed.
- There was a motion and second to approve policy 20-11 with revisions as proposed. Motion passed.
- There was a motion and second to approve the new financial management plan policy 60-15 as proposed. The motion passed.
- A motion to submit applications to CoBank's Sharing Success matching grant program for the following organizations for \$3,750 each: Milbank Daycare Foundation, SD Veterans Food Gift Program, SHP (Sisseton), and GROW-SD was seconded and carried.
- After a discussion and without action, the Board asked the credit union exploratory committee to further consider options of facilitating a local credit union as a strategic initiative.
- The Board viewed and discussed the NRECA Governance Talk regarding parliamentary procedure.
- The Board resolved to set the regular July Board meeting for Thursday, July 24, 2025 at 8:00 am.

Executive Session:

At 10:28 am a motion to enter executive session was seconded and carried.

At 10:54 am a motion to exit executive session was seconded and carried.

Resolution for Next Regular Board Meeting:

- The next regular board meeting was set for Thursday, June 19, 2025 at 8:00 AM at the Cooperative Headquarters .

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Adjournment:

- A motion to adjourn was made, seconded and carried.

President

Secretary